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BUREAU OF RAILWAY ECONOMICS

Established by Railways of the United States
for the Scientific Study of Transportation Problems

Railway Stockholders

June 30, 1915

Consecutive No. 94

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WASHINGTON, D. C.

1916

BULLETINS OF THE BUREAU OF RAILWAY ECONOMICS

MONTHLY BULLETINS

The monthly summary of Revenues and Expenses of Steam Roads
in the United States has been issued regularly since July, 1910.

Following is the list of bulletins for the last twelve months:

Consecutive Number.	Monthly Report Series.	Month of—
78.	59.	April, 1915.
79.	60.	May, 1915.
80.	61.	June, 1915.—Insert with Bulletin—Operating Re- turns: Fiscal Years Ending June 30, 1914 and 1915.
82.	62.	July, 1915.
84.	63.	August, 1915.
85.	64.	September, 1915.
86.	65.	October, 1915.
87.	66.	November, 1915.
89.	67.	December, 1915.
90.	68.	January, 1916.
91.	69.	February, 1916.
93.	70.	March, 1916.

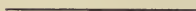
The following issues are Out of Print:

Consecutive Number.	Monthly Report Series.	Month of—
7.	5.	October, 1910.
9.	7.	December, 1910.
13.	10.	March, 1911.
19.	13.	June, 1911.
22.	15.	August, 1911.
51.	37.	June, 1913.

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Railway Stockholders

June 30, 1915



Bureau of Railway Economics

Washington, D. C.

June, 1916

RAILWAY STOCKHOLDERS: JUNE 30, 1915.

Introductory.

The statistics presented in this bulletin for 1915 cover the returns of 1,285 railway companies to the Interstate Commerce Commission. These corporations include both railway companies that file operating reports with the Commission and their non-operating subsidiaries.^a The aggregate operated mileage of these 1,285 railway companies on June 30, 1915, was 257,211 miles. The total number of their stockholders on that date was 626,122.^b

Under the statistical and accounting regulations of the Interstate Commerce Commission, operating roads comprise three distinct classes. Roads of Class I are those having annual operating revenues above \$1,000,000 each; roads of Class II, those with annual operating revenues of from \$100,000 to \$1,000,000; roads of Class III, those with annual operating revenues below \$100,000. The mileage operated on June 30, 1915, by these three classes of roads was respectively as follows:

Class I.....	228,679
Class II.....	19,716
Class III.....	8,816
<hr/>	
Total.....	257,211

The non-operating subsidiaries did not, of course, report any operated mileage. Their owned mileage, which is operated under lease or other agreement by the operating roads, amounted on

^a Switching and terminal companies are omitted; also a few small roads or roads in receivers' hands for which the desired information regarding stockholders is not reported to the Commission.

^b The statistics of the present bulletin are not strictly comparable with an earlier compilation of the Bureau of Railway Economics showing railway stockholders on June 30, 1914. The methods of classifying and reporting railway stock changed considerably, beginning with the fiscal year 1915, at the instance of the Interstate Commerce Commission, and the statistics of the years 1914 and 1915 are not on an exactly comparable basis. It is expected in future issues of this bulletin to compare the results of the year 1915 with those of each later year as completed.

June 30, 1915, to 38,446 miles. This owned mileage is included in the aggregates of operated mileage just shown.

Under Interstate Commerce Commission practice, the United States is divided into three territorial districts—Eastern, Southern, and Western. This territorial arrangement is followed in the present bulletin. The Eastern District comprises the region extending from the Atlantic seaboard north of the Potomac and Ohio rivers to a western boundary constituted of Lake Michigan, a line drawn from Chicago through Peoria to St. Louis, and the Mississippi River from St. Louis to Cairo. The Southern District lies east of the Mississippi and south of the Ohio and Potomac rivers. The Western District comprises the region extending west from Lake Michigan, a line drawn from Chicago through Peoria to St. Louis, and the Mississippi River from St. Louis to the Gulf. A road lying in more than one district is assigned to that district in which lies the larger portion of its mileage, or with which it seems most closely allied in character of business.

The statistics upon which the tables in this bulletin are based are taken from the annual reports on file with the Commission. They show the total number of stockholders of record at the last closing of the stock books on or prior to June 30, 1915. If the stock books have not been closed within a year, the stockholders as of the close of the year are returned.^a Therefore, while the returns for 1915 do not in all cases refer strictly to the status of the stock books as of the last day of the fiscal year, June 30, yet they are commonly referred to as being the facts on that date, and are so accepted for the purposes of this tabulation.

Number of Stockholders, June 30, 1915.

Table I gives the number of roads included, mileage operated, and total number of stockholders on June 30, 1915. The information is shown according to district, and also for operating and non-operating roads of the three classes already described. Non-operating subsidiary roads are respectively assigned to the class to which their

^a In the case of half a dozen small roads the information for 1914 was the latest available. Inasmuch as there had been little or no change in the ownership of these roads, it seemed safe to assume that the returns for June 30, 1914, were equally applicable to June 30, 1915. The returns for 1914 were therefore used in the present tabulations.

operating roads belong. Thus a non-operating road of Class I is so designated because it is subsidiary to an operating road of Class I; similarly, non-operating roads of Class II and Class III are respectively subsidiary to operating roads of the two corresponding classes.

It should be borne in mind that the aggregate number of stockholders reported to the Commission by all roads is the number of distinct holdings of stock and does not necessarily represent the number of separate individual holders or persons. The same individual may and often does hold stock in more than one railway. If he is a stockholder in three railways, he is so reported by each of the three railways and is counted three times in making up the aggregate. In consequence, the number of individual railway stockholders is smaller than the totals here shown. To ascertain how much smaller would require the investigation of the stock books of each individual railway and the expenditure of an enormous amount of time and effort.

TABLE I.

NUMBER OF STOCKHOLDERS: RAILWAYS OF THE UNITED STATES, JUNE 30, 1915.

District and Class.	Number of roads.	Miles of line operated.	Number of stockholders.
UNITED STATES:			
Operating roads;			
Class I.....	170	228,679	511,187
Class II.....	267	19,716	10,604
Class III.....	405	8,816	17,327
Total operating roads.....	842	257,211	539,118
Non-operating subsidiaries;			
Class I.....	410	.....	86,347
Class II.....	16	.....	180
Class III.....	17	.....	477
Total non-operating subsidiaries.	443	.....	87,004
Total United States.....	1,285	257,211	626,122
EASTERN DISTRICT:			
Operating roads;			
Class I.....	68	58,921	244,288
Class II.....	88	4,420	4,739
Class III.....	102	1,780	4,051
Total operating roads.....	258	65,121	253,078
Non-operating subsidiaries:			
Class I.....	280	.....	79,005
Class II.....	6	.....	74
Class III.....	10	.....	269
Total non-operating subsidiaries.	296	.....	79,348
Total Eastern District.....	554	65,121	332,426
SOUTHERN DISTRICT:			
Operating roads;			
Class I.....	33	41,880	48,106
Class II.....	59	4,890	2,767
Class III.....	127	2,768	1,959
Total operating roads.....	219	49,538	52,832
Non-operating subsidiaries:			
Class I.....	51	.....	4,644
Class II.....	3	.....	34
Class III.....	5	.....	196
Total non-operating subsidiaries.	59	.....	4,874
Total Southern District.....	278	49,538	57,706
WESTERN DISTRICT:			
Operating roads;			
Class I.....	69	127,878	218,793
Class II.....	120	10,406	3,098
Class III.....	176	4,268	11,317
Total operating roads.....	365	142,552	233,208
Non-operating subsidiaries:			
Class I.....	79	.....	2,698
Class II.....	7	.....	72
Class III.....	2	.....	12
Total non-operating subsidiaries.	88	.....	2,782
Total Western District.....	453	142,552	235,990

It will be noted that the total number of stockholders on June 30, 1915, was 626,122, covering 1,285 railway companies, with an operated mileage of 257,211 miles. The 842 operating roads were owned by 539,118 stockholders, while the 443 non-operating roads were owned by 87,004 stockholders. This represents an average of 640 stockholders per railway for operating roads, 196 for non-operating roads, and 487 for all roads.

Of the total number of stockholders, 332,426, or 53.1 per cent, were stockholders in the Eastern railways; 57,706, or 9.2 per cent, were stockholders in the Southern railways; while 235,990, or 37.7 per cent, were stockholders in the Western railways. This indicates nothing as to the residence distribution of the stockholders. Stockholders of Eastern railways may live in the South, the West, or abroad, and similar divergence between residence and ownership may prevail in the South and the West.

Holdings per Stockholder, June 30, 1915.

Table II gives the par value of capital stock outstanding, total number of stockholders, and average amount of stock held per stockholder on June 30, 1915, by districts and by classes.

TABLE II.

AVERAGE HOLDINGS PER STOCKHOLDER: RAILWAYS OF THE UNITED STATES,
JUNE 30, 1915.

District and Class.	Capital stock outstanding. Par value.	Number of stock- holders.	Average amount of stock per stockholder. Par value.
UNITED STATES:			
Operating roads;			
Class I.....	\$6,829,820,715	511,187	\$13,361
Class II.....	372,702,236	10,604	35,147
Class III.....	111,561,782	17,327	6,439
Total operating roads.....	7,314,084,733	539,118	13,567
Non-operating subsidiaries;			
Class I.....	1,318,591,424	86,347	15,271
Class II.....	3,338,600	180	18,548
Class III.....	2,272,135	477	4,763
Total non-operating subsid- iaries	1,324,202,159	87,004	15,220
Total United States....	8,638,286,892	626,122	13,796
EASTERN DISTRICT:			
Operating roads;			
Class I.....	\$2,489,976,817	244,288	\$10,193
Class II.....	129,089,286	4,739	27,240
Class III.....	26,899,788	4,051	6,640
Total operating roads.....	2,645,965,891	253,078	10,455
Non-operating subsidiaries;			
Class I.....	746,769,047	79,005	9,452
Class II.....	1,149,000	74	15,527
Class III.....	1,078,250	269	4,008
Total non-operating subsid- iaries	748,996,297	79,348	9,439
Total Eastern District..	3,394,962,188	332,426	10,213
SOUTHERN DISTRICT:			
Operating roads;			
Class I.....	\$974,391,461	48,106	\$20,255
Class II.....	75,357,750	2,767	27,234
Class III.....	31,375,314	1,959	16,016
Total operating roads.....	1,081,124,525	52,832	20,463
Non-operating subsidiaries;			
Class I.....	71,503,725	4,644	15,397
Class II.....	247,000	34	7,265
Class III.....	687,885	196	3,510
Total non-operating subsid- iaries	72,438,610	4,874	14,862
Total Southern District.	1,153,563,135	57,706	19,990
WESTERN DISTRICT:			
Operating roads;			
Class I.....	\$3,365,452,437	218,793	\$15,382
Class II.....	168,255,200	3,098	54,311
Class III.....	53,286,680	11,317	4,709
Total operating roads.....	3,586,994,317	233,208	15,381
Non-operating subsidiaries;			
Class I.....	500,318,652	2,698	185,441
Class II.....	1,942,600	72	26,981
Class III.....	506,000	12	42,167
Total non-operating subsid- iaries	502,767,252	2,782	180,722
Total Western District.	4,089,761,569	235,990	17,330

None of the averages in this tabulation showing amount of stock per holder take account of the fact that the same individual is sometimes a stockholder in more than one railway. This point has already been discussed on page 5. It is clear that if there are duplications in the number of stockholders, the average holdings per person must be larger than those of the present table covering average holdings per stockholder.

The average holding per stockholder, par value, was \$13,796 on June 30, 1915, for the United States as a whole. In the East the average was \$10,213; in the South it was \$19,990; in the West it was \$17,330.

In all three districts the average holdings for operating railways of Class II were larger than the averages for roads of Class I. In the East the average for Class II was nearly three times as large; in the West, between three and four times as large. These comparatively high averages are due throughout to the relatively small number of stockholders per railway, and this in turn resulted from the fact that a large proportion of railways of Class II are controlled by other railways, usually roads of Class I. Where a road is so controlled, the number of stockholders on its books is seldom greater than the number of directors (each of whom holds one qualifying share of stock) plus one (the controlling railway).

The same situation exists among operating railways of Class III, a large proportion of which are controlled by other railways. However, these roads have a smaller average amount of stock outstanding than operating roads of Class II, and the average holdings are therefore much smaller.

Non-operating subsidiaries are also to a large extent owned or controlled by other railways, which results in a comparatively small number of stockholders on the average. As these subsidiaries are usually small roads, the average holding per stockholder is, for the most part, not large. The only exception to this rule is found in subsidiary roads of Class I in the Western District. The 79 roads in this group show an average holding per stockholder of \$185,441. This average, which is out of all proportion to the other groups, is entirely due to the inclusion of several lessor railways with large capital stock, whose ownership vests in each case in a single controlling railway. Thus the Carolina, Arizona & Santa Fe Railway, with capital stock of \$50,000,000, is controlled by the Atchison,

Topeka & Santa Fe Railway, which owns \$49,999,500 of the stock, the remaining \$500 being distributed among the five directors. Similarly, the Central Pacific Railway, with \$84,675,500 of stock, is controlled by the Southern Pacific Company, which owns \$84,674,600 of the stock, or all but the directors' qualifying shares. Again, the Mason City & Fort Dodge Railroad, with \$32,841,152 of stock, is controlled by the Chicago Great Western Railroad, which owns \$32,840,600; while the Southern Pacific Railroad, with \$160,000,000 of stock, is controlled by the Southern Pacific Company, which owns or controls \$159,998,900.

Clearly, a series of averages that include large holdings of railway stock by other railways do not satisfactorily portray the general distribution of railway capital stock. To ascertain how widely railway stock is distributed, and in what amounts, among the general public, it is necessary to eliminate, as far as possible, the holdings of such stock by the railways themselves. A partial elimination is attempted in the next section—the only elimination that is practicable without detailed investigation of the stock books of every railway in the United States.

Railway Stock in the Hands of the Public.

Beginning with the fiscal year 1915, the Interstate Commerce Commission has required every operating railway of Class I and Class II (but not Class III) and every non-operating railway to report the names and holdings of its twenty largest stockholders. This has now made it possible to attempt a separation of stockholdings in the hands of railway corporations from those in the hands of individuals and to present an average of holdings per stockholder that will correspond roughly with the popular conception of that average.

So far as railway companies, or individual or trust companies holding for the benefit of railway companies, are sufficiently large stockholders in other railways to be included among the twenty largest stockholders, it now becomes possible to separate such stockholders and their holdings from the aggregates of stockholders and of capital stock, and thus to arrive at a figure which will represent only individual stockholders and their holdings. In this way may be ascertained the approximate number of stockholders who are not railway corporations, together with the total amount of their hold-

ings—that is, stock in the hands of the public. This is done in Table III.

However, the net figure resulting from such a process of separation only approximates accuracy, for the data available for complete analysis and classification are unfortunately lacking. In the first place, operating railways of Class III are not represented in Table III, because, as already stated, they are not required to make returns of their twenty largest stockholders; in the second place, the list of railway corporations that are stockholders in other railways is not complete, nor is the total amount of their holdings ascertainable, because some railways which are holders of the stock of other railways do not hold a sufficient amount to appear among the twenty largest stockholders. However, it is probable that the greater part of the railway holdings is represented in the elimination that has been carried out in Table III.

TABLE

RAILWAY STOCK IN THE HANDS
(Railways of Class I and Class II, with

District and Class.	Number of stock-holders.	Total stock outstanding June 30, 1915. Par value.	Average amount per stock-holder. Par value.
UNITED STATES:			
Operating roads;			
Class I.....	511,187	\$6,829,820,715	\$13,361
Class II.....	10,604	372,702,236	35,147
Total	521,791	7,202,522,951	13,803
Non-operating subsidiaries;			
Class I.....	86,347	1,318,591,424	15,271
Class II.....	180	3,338,600	18,548
Total	86,527	1,321,930,024	15,278
United States—Class I and II	608,318	8,524,452,975	14,013
EASTERN DISTRICT:			
Operating roads;			
Class I.....	244,288	\$2,489,976,817	\$10,193
Class II.....	4,739	129,089,286	27,240
Total	249,027	2,619,066,103	10,517
Non-operating subsidiaries;			
Class I.....	79,005	746,769,047	9,452
Class II.....	74	1,149,000	15,527
Total	79,079	747,918,047	9,458
Eastern District—Class I and II.....	328,106	3,366,984,150	10,262
SOUTHERN DISTRICT:			
Operating roads;			
Class I.....	48,106	\$974,391,461	\$20,255
Class II.....	2,767	75,357,750	27,234
Total	50,873	1,049,749,211	20,635
Non-operating subsidiaries;			
Class I.....	4,644	71,503,725	15,397
Class II.....	34	247,000	7,265
Total	4,678	71,750,725	15,338
Southern District—Class I and II.....	55,551	1,121,499,936	20,189
WESTERN DISTRICT:			
Operating roads;			
Class I.....	218,793	\$3,365,452,437	\$15,382
Class II.....	3,098	168,255,200	54,311
Total	221,891	3,533,707,637	15,925
Non-operating subsidiaries;			
Class I.....	2,698	500,318,652	185,441
Class II.....	72	1,942,600	26,981
Total	2,770	502,261,252	181,322
Western District—Class I and II.....	224,661	4,035,968,889	17,965

III.

OF THE PUBLIC, JUNE 30, 1915.

annual operating revenues above \$100,000.)

Held by or for railways.		In the hands of the public. (Approximate.)		
Number of railway holders.	Amount of stock held. Par value.	Number of stockholders.	Amount of stock held. Par value.	Average amount per stockholder. Par value.
153	\$1,541,786,058	511,034	\$5,288,034,657	\$10,348
143	108,228,580	10,461	264,473,656	25,282
296	1,650,014,638	521,495	5,552,508,313	10,647
383	868,985,575	85,964	449,605,849	5,230
9	956,600	171	2,382,000	13,930
392	869,942,175	86,135	451,987,849	5,247
688	2,519,956,813	607,630	6,004,496,162	9,882
70	\$606,707,850	244,218	\$1,883,268,967	\$7,711
69	51,494,475	4,670	77,594,811	16,616
139	658,202,325	248,888	1,960,863,778	7,878
266	362,496,650	78,739	384,272,397	4,880
4	744,200	70	404,800	5,783
270	363,240,850	78,809	384,677,197	4,881
409	1,021,443,175	327,697	2,345,540,975	7,158
29	\$188,817,400	48,077	\$785,574,061	\$16,340
24	8,355,500	2,743	67,002,250	24,427
53	197,172,900	50,820	852,576,311	16,776
40	40,981,075	4,604	30,522,650	6,630
I	9,500	33	237,500	7,197
41	40,990,575	4,637	30,760,150	6,634
94	238,163,475	55,457	883,336,461	15,928
54	\$746,260,808	218,739	\$2,619,191,629	\$11,974
50	48,378,605	3,048	119,876,595	39,330
104	794,639,413	221,787	2,739,068,224	12,350
77	465,507,850	2,621	34,810,802	13,281
4	202,900	68	1,739,700	25,584
81	465,710,750	2,689	36,550,502	13,593
185	1,260,350,163	224,476	2,775,618,726	12,365

The total number of stockholders of roads of Classes I and II and their non-operating subsidiaries on June 30, 1915, was 608,318, while the total amount of outstanding stock of these roads was \$8,524,452,975. It will be recalled that these aggregates exclude the returns of operating and non-operating roads of Class III, and therefore are not fully comparable with the aggregates for 1915 presented in Tables I and II. The average holding per stockholder, including railway corporations as stockholders, was \$14,013.

Deducting the 688 railways by or for whom the stock of other railways was held, and the \$2,519,956,813 of stock so held, there remains a total of \$6,004,496,162 of capital stock in the hands of 607,630 stockholders, who comprise what may be termed the general public.^a This represents an average holding per stockholder for the United States as a whole of \$9,882. The average was \$7,158 in the East, \$15,928 in the South, and \$12,365 in the West. These averages are considerably smaller than those of Table II, where gross holdings are shown without deduction for stock in the hands of the railways themselves. This is particularly true of non-operating subsidiaries of Class I in the Western District, where the abnormally high average of \$185,441, shown in Table II, becomes \$13,281 after large railway holdings have been eliminated.

^a Including railways with comparatively small holdings of railway stock and, of course, any corporations or associations other than railways.

BULLETINS OF THE BUREAU OF RAILWAY ECONOMICS

MISCELLANEOUS PUBLICATIONS

(Continued from page 2 of cover.)

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34.	12.	A Comparative Study of Railway Wages and the Cost of Living in the United States, the United Kingdom, and the Principal Countries of Continental Europe.
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73.	18.	The Arguments For and Against Train-Crew Legislation.
81.	20.	Statistics of Railways, 1904-1914, United States.
83.	21.	Comparative Railway Statistics, United States and Foreign Countries, 1912.
88.	22.	Summary of Railway Returns for the Fiscal Year Ending June 30, 1915.
92.	23.	Arguments For and Against Limitation of the Length of Freight Trains.
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